

AmerenCILCO - Electric
Statement of Operating Income with Adjustments
For the Test Year Ending 12/31/2008
(In Thousands)

| Line No. | Description | Company Rebuttal Present (Ex. 29.1, Sch. 1) | Adjustments (Appendix A, Page 4) | Pro Forma Present (Cols. b+c) | Company Rebuttal Proposed Increase (Ex. 29.1, Sch. 1) | Gross Revenue Conversion Factor | Proposed Rates With Ordered Adjustments (Cols. d+e+f) | Adjustment To Proposed Increase | Operating Statement per Order (Cols. g+h) |
|----------|---|--|-------------------------------------|----------------------------------|--|---------------------------------|--|---------------------------------|--|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Electric Operating Revenues | \$ 116,954 | \$ (5,788) | \$ 111,166 | \$ 21,620 | \$ - | \$ 132,786 | \$ (19,381) | \$ 113,405 |
| 2 | Other Revenues | 5,043 | - | 5,043 | - | - | 5,043 | - | 5,043 |
| 3 | Total Operating Revenue | 121,997 | (5,788) | 116,209 | 21,620 | - | 137,829 | (19,381) | 118,448 |
| 4 | Uncollectible Accounts | 986 | (47) | 939 | 175 | - | 1,114 | (157) | 957 |
| 5 | Distribution Expenses | 31,030 | (334) | 30,696 | - | - | 30,696 | - | 30,696 |
| 6 | Customer Accounts Expense | 9,063 | (124) | 8,939 | - | - | 8,939 | - | 8,939 |
| 7 | Admin & General Expense | 29,700 | (5,200) | 24,500 | - | - | 24,500 | - | 24,500 |
| 8 | Depreciation & Amort Expense | 21,242 | (155) | 21,087 | - | - | 21,087 | - | 21,087 |
| 9 | Taxes Other Than Income | 7,459 | (5,894) | 1,565 | - | - | 1,565 | - | 1,565 |
| 10 | | | - | - | - | - | - | - | - |
| 11 | | | - | - | - | - | - | - | - |
| 12 | | | - | - | - | - | - | - | - |
| 13 | | | - | - | - | - | - | - | - |
| 14 | | - | - | - | - | - | - | - | - |
| 15 | Total Operating Expense | | | | | | | | |
| 16 | Before Income Taxes | 99,480 | (11,754) | 87,726 | 175 | - | 87,901 | (157) | 87,744 |
| 17 | State Income Tax | 572 | 775 | 1,347 | 1,565 | 1 | 2,913 | (1,403) | 1,510 |
| 18 | Federal Income Tax | 2,547 | 3,451 | 5,998 | 6,958 | - | 12,956 | (6,237) | 6,719 |
| 19 | | - | - | - | - | - | - | - | - |
| 20 | Total Operating Expenses | 102,599 | (7,528) | 95,071 | 8,698 | 1 | 103,770 | (7,797) | 95,973 |
| 21 | NET OPERATING INCOME | \$ 19,398 | \$ 1,740 | \$ 21,138 | \$ 12,922 | \$ (1) | \$ 34,059 | \$ (11,584) | \$ 22,475 |
| 22 | Rate Base (Appendix A, Page 5, Column (d)) | | | | | | | | \$ 279,199 |
| 23 | Overall Rate of Return (Per Order) | | | | | | | | 8.05% |
| 24 | Revenue Change (Col. (i) Line 3 minus Col. (d), Line 3) | | | | | | | | \$ 2,239 |
| 25 | Percentage Revenue Change (Col. (i), Line 24 divided by Col. (d), Line 3) | | | | | | | | 1.93% |

AmerenCILCO - Electric
Adjustments to Operating Income
For the Test Year Ending 12/31/2008
(In Thousands)

| Line No. | Description | Interest Synchronization (Per Order) | Incentive Compensation (Per Order-App. H, p. 1) | Employee Benefits Exp. (St. Ex. 15.0 Sch 15.09-CILCO-E) | Workforce Reduction (Per Order-App. H, p. 4) | Production Retiree Expense (St. Ex. 15.0 Sch 15.11 CILCO-E) | Severance Amort. (Per Order-Staff BOE, App. A, p. 1) | (Source) | Subtotal Operating Statement Adjustments |
|----------|------------------------------|--------------------------------------|---|---|--|---|--|----------|--|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Electric Operating Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Other Revenues | - | - | - | - | - | - | - | - |
| 3 | Total Operating Revenue | - | - | - | - | - | - | - | - |
| 4 | Uncollectible Accounts | - | - | - | - | - | - | - | - |
| 5 | Distribution Expenses | - | - | - | - | - | - | - | - |
| 6 | Customer Accounts Expense | - | - | - | - | - | - | - | - |
| 7 | Admin & General Expense | - | (496) | (4,082) | (942) | 368 | 214 | - | (4,938) |
| 8 | Depreciation & Amort Expense | - | (5) | - | - | - | - | - | (5) |
| 9 | Taxes Other Than Income | - | (49) | - | (57) | - | - | - | (106) |
| 10 | | - | - | - | - | - | - | - | - |
| 11 | | - | - | - | - | - | - | - | - |
| 12 | | - | - | - | - | - | - | - | - |
| 13 | | - | - | - | - | - | - | - | - |
| 14 | | - | - | - | - | - | - | - | - |
| 15 | Total Operating Expense | - | - | - | - | - | - | - | - |
| 16 | Before Income Taxes | - | (550) | (4,082) | (999) | 368 | 214 | - | (5,049) |
| 17 | State Income Tax | 341 | 40 | 298 | 73 | (27) | (16) | - | 709 |
| 18 | Federal Income Tax | 1,515 | 178 | 1,324 | 324 | (119) | (69) | - | 3,153 |
| 19 | | - | - | - | - | - | - | - | - |
| 20 | Total Operating Expenses | 1,856 | (332) | (2,460) | (602) | 222 | 129 | - | (1,187) |
| 21 | NET OPERATING INCOME | \$ (1,856) | \$ 332 | \$ 2,460 | \$ 602 | \$ (222) | \$ (129) | \$ - | \$ 1,187 |

AmerenCILCO - Electric
Adjustments to Operating Income
For the Test Year Ending 12/31/2008
(In Thousands)

| Line No. | Description | Subtotal Operating Statement Adjustments | Pro Forma Plant Additions (St. Ex. 16.0 Sch 16.01 CILCO-E) | NESC Adjustment (Appendix A, Page 10) | Transportation Fuel Costs (St. Ex. 17.0 Sch 17.01 CILCO-E) | Electric Distribution Tax (Order) | Lobbying Expense (St. Ex. 18.0R Sch 18.01 CILCO-E) | Industry Association Dues (St. Ex. 18.0R Sch 18.03 CILCO-E) | Subtotal Operating Statement Adjustments |
|----------|------------------------------|--|--|---------------------------------------|--|-----------------------------------|--|---|--|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Electric Operating Revenues | \$ - | \$ - | \$ - | \$ - | \$ (5,788) | \$ - | \$ - | \$ (5,788) |
| 2 | Other Revenues | - | - | - | - | - | - | - | - |
| 3 | Total Operating Revenue | - | - | - | - | (5,788) | - | - | (5,788) |
| 4 | Uncollectible Accounts | - | - | - | - | (47) | - | - | (47) |
| 5 | Distribution Expenses | - | - | (154) | (180) | - | - | - | (334) |
| 6 | Customer Accounts Expense | - | - | - | - | - | - | - | - |
| 7 | Admin & General Expense | (4,938) | - | - | - | - | (3) | (92) | (5,033) |
| 8 | Depreciation & Amort Expense | (5) | (145) | (5) | - | - | - | - | (155) |
| 9 | Taxes Other Than Income | (106) | - | - | - | (5,788) | - | - | (5,894) |
| 10 | | - | - | - | - | - | - | - | - |
| 11 | | - | - | - | - | - | - | - | - |
| 12 | | - | - | - | - | - | - | - | - |
| 13 | | - | - | - | - | - | - | - | - |
| 14 | | - | - | - | - | - | - | - | - |
| 15 | Total Operating Expense | | | | | | | | |
| 16 | Before Income Taxes | (5,049) | (145) | (159) | (180) | (5,835) | (3) | (92) | (11,463) |
| 17 | State Income Tax | 709 | 11 | 12 | 13 | 3 | - | 7 | 755 |
| 18 | Federal Income Tax | 3,153 | 47 | 52 | 58 | 15 | 1 | 30 | 3,356 |
| 19 | | - | - | - | - | - | - | - | - |
| 20 | Total Operating Expenses | (1,187) | (87) | (95) | (109) | (5,817) | (2) | (55) | (7,352) |
| 21 | NET OPERATING INCOME | \$ 1,187 | \$ 87 | \$ 95 | \$ 109 | \$ 29 | \$ 2 | \$ 55 | \$ 1,564 |

AmerenCILCO - Electric
Adjustments to Operating Income
For the Test Year Ending 12/31/2008
(In Thousands)

| Line No. | Description | Subtotal Operating Statement Adjustments | Customer Service & Info. Expense (St. Ex. 18.0R Sch 18.04 CILCO-E) | Homer Works HQ Sale (St. Ex. 18.0R Sch 18.05 CILCO-E) | Economic Development Demonstrating & Selling Expense (St. Ex. 18.0R Sch 18.06 CILCO-E) | Injuries & Damages (Per Order- IIEC Ex. 3.3) | (Source) | (Source) | Total Operating Statement Adjustments |
|----------|------------------------------|---|--|--|---|---|----------|----------|--|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Electric Operating Revenues | \$ (5,788) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (5,788) |
| 2 | Other Revenues | - | - | - | - | - | - | - | - |
| 3 | Total Operating Revenue | (5,788) | - | - | - | - | - | - | (5,788) |
| 4 | Uncollectible Accounts | (47) | - | - | - | - | - | - | (47) |
| 5 | Distribution Expenses | (334) | - | - | - | - | - | - | (334) |
| 6 | Customer Accounts Expense | - | (124) | - | - | - | - | - | (124) |
| 7 | Admin & General Expense | (5,033) | - | (18) | (88) | (61) | - | - | (5,200) |
| 8 | Depreciation & Amort Expense | (155) | - | - | - | - | - | - | (155) |
| 9 | Taxes Other Than Income | (5,894) | - | - | - | - | - | - | (5,894) |
| 10 | | - | - | - | - | - | - | - | - |
| 11 | | - | - | - | - | - | - | - | - |
| 12 | | - | - | - | - | - | - | - | - |
| 13 | | - | - | - | - | - | - | - | - |
| 14 | | - | - | - | - | - | - | - | - |
| 15 | Total Operating Expense | (11,463) | (124) | (18) | (88) | (61) | - | - | (11,754) |
| 16 | Before Income Taxes | | | | | | | | |
| 17 | State Income Tax | 755 | 9 | 1 | 6 | 4 | - | - | 775 |
| 18 | Federal Income Tax | 3,356 | 40 | 6 | 29 | 20 | - | - | 3,451 |
| 19 | | - | - | - | - | - | - | - | - |
| 20 | Total Operating Expenses | (7,352) | (75) | (11) | (53) | (37) | - | - | (7,528) |
| 21 | NET OPERATING INCOME | \$ 1,564 | \$ 75 | \$ 11 | \$ 53 | \$ 37 | \$ - | \$ - | \$ 1,740 |

AmerenCILCO - Electric
Rate Base
For the Test Year Ending 12/31/2008
(In Thousands)

| Line No. | Description | Company Rebuttal Rate Base (Ex. 29.1, Sch. 2) | Adjustments (Appendix A, Page 6) | Approved Rate Base (Col. b+c) |
|----------|-----------------------------------|--|-------------------------------------|----------------------------------|
| | (a) | (b) | (c) | (d) |
| 1 | Gross Plant in Service | \$ 864,685 | \$ (5,417) | \$ 859,268 |
| 2 | Accumulated Depreciation | (466,000) | (23,936) | (489,936) |
| 3 | - | - | - | - |
| 4 | Net Plant | 398,685 | (29,353) | 369,332 |
| 5 | Additions to Rate Base | | | |
| 6 | Cash Working Capital | 1,137 | (2,735) | (1,598) |
| 7 | Materials & Supplies Inventory | 5,298 | (558) | 4,740 |
| 8 | CWIP Not Subject to AFUDC | 189 | - | 189 |
| 9 | - | - | - | - |
| 10 | - | - | - | - |
| 11 | - | - | - | - |
| 12 | - | - | - | - |
| 13 | - | - | - | - |
| 14 | - | - | - | - |
| 15 | - | - | - | - |
| 16 | Deductions From Rate Base | | | |
| 17 | Customer Advances | (5,853) | - | (5,853) |
| 18 | Accumulated Deferred Income Taxes | (60,362) | (4,006) | (64,368) |
| 19 | Customer Deposits | (3,167) | - | (3,167) |
| 20 | Accrued OPEB Liability | - | (20,077) | (20,077) |
| 21 | - | - | - | - |
| 22 | - | - | - | - |
| 23 | Rate Base | <u>\$ 335,927</u> | <u>\$ (56,728)</u> | <u>\$ 279,199</u> |

AmerenCILCO - Electric
Adjustments to Rate Base
For the Test Year Ending 12/31/2008
(In Thousands)

| Line No. | Description | Incentive Compensation (Per Order-App. H, p. 1) (Note 1) | Cash Working Capital (Appendix A, Page 7) | Pro Forma Plant Additions (St. Ex. 16.0 Sch 16.01 CILCO-E) (Note 1) | NESC Adjustment (Appendix A, Page 10) | Materials & Supplies (Per Order AIU Ex 51.10) | Accrued OPEB Liabilities (AG/CUB Exhibit 2.1) | Post Test Year Accumulated Depreciation on Embedded Plant (Order - App. G) | Total Rate Base Adjustments |
|----------|-----------------------------------|--|--|---|--|--|--|---|-----------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Gross Plant in Service | \$ (139) | \$ - | \$ (5,076) | \$ (202) | \$ - | \$ - | \$ - | \$ (5,417) |
| 2 | Accumulated Depreciation | 5 | - | 909 | 6 | - | - | (24,856) | (23,936) |
| 3 | | - | - | - | - | - | - | - | - |
| 4 | Net Plant | (134) | - | (4,167) | (196) | - | - | (24,856) | (29,353) |
| 5 | Additions to Rate Base | - | - | - | - | - | - | - | - |
| 6 | Cash Working Capital | - | (2,735) | - | - | - | - | - | (2,735) |
| 7 | Materials & Supplies Inventory | - | - | - | - | (558) | - | - | (558) |
| 8 | CWIP Not Subject to AFUDC | - | - | - | - | - | - | - | - |
| 9 | | - | - | - | - | - | - | - | - |
| 10 | | - | - | - | - | - | - | - | - |
| 11 | | - | - | - | - | - | - | - | - |
| 12 | | - | - | - | - | - | - | - | - |
| 13 | | - | - | - | - | - | - | - | - |
| 14 | | - | - | - | - | - | - | - | - |
| 15 | | - | - | - | - | - | - | - | - |
| 16 | Deductions From Rate Base | - | - | - | - | - | - | - | - |
| 17 | Customer Advances | - | - | - | - | - | - | - | - |
| 18 | Accumulated Deferred Income Taxes | 3 | - | 120 | 42 | - | - | (4,171) | (4,006) |
| 19 | Customer Deposits | - | - | - | - | - | - | - | - |
| 20 | Accrued OPEB Liability | - | - | - | - | - | (20,077) | - | (20,077) |
| 21 | | - | - | - | - | - | - | - | - |
| 22 | | - | - | - | - | - | - | - | - |
| 23 | Rate Base | <u>\$ (131)</u> | <u>\$ (2,735)</u> | <u>\$ (4,047)</u> | <u>\$ (154)</u> | <u>\$ (558)</u> | <u>\$ (20,077)</u> | <u>\$ (29,027)</u> | <u>\$ (56,728)</u> |

Note 1: Corrected to reflect a deduction to accumulated depreciation

AmerenCILCO - Electric
Adjustment to Cash Working Capital
For the Test Year Ending 12/31/2008
(In Thousands)

| <u>Line</u> | <u>Item</u> (a) | <u>Amount</u> (b) | <u>Lag (Lead)</u> (c) | <u>CWC Factor</u> (d) (c/365) | <u>CWC Requirement</u> (e) (b*d) | <u>Column C Source</u> (f) |
|-------------|--------------------------------------|----------------------|--------------------------|-------------------------------------|--|---|
| 1 | Revenues | \$ 83,924 | 39.420 | 0.10800 | \$ 9,064 | Per Order: Ill. Adm. Code 280.90(c) |
| 2 | Pass-through Taxes | 2,402 | 0.000 | 0.00000 | - | Per Order |
| 3 | Total Receipts | <u>\$ 86,326</u> | | | | Line 1 + Line 2 |
| 4 | Employee Benefits | \$ 2,816 | (17.570) | (0.04814) | (136) | Appendix A, Page 9, Column b, Line 16 |
| 5 | Payroll | 21,771 | (12.920) | (0.03540) | (771) | Appendix A, Page 9, Column b, Line 5 |
| 6 | Purchased Power | - | (18.146) | (0.04971) | - | |
| 7 | Other Operations and Maintenance | 39,548 | (51.070) | (0.13992) | (5,533) | Appendix A, Page 8, Column b, Line 17 |
| 8 | FICA | 871 | (14.740) | (0.04038) | (35) | Appendix A, Page 9, Column b, Line 11 |
| 9 | Federal Unemployment Tax | 7 | (76.380) | (0.20926) | (1) | Company Schedule C-18, Column J, Line 3 |
| 10 | State Unemployment Tax | (31) | (76.380) | (0.20926) | 6 | Company Schedule C-18, Column J, Line 7 |
| 11 | Electricity Distribution Tax | 5,042 | (30.130) | (0.08255) | (416) | ICC Staff Ex. 15.0, Sch. 15.12 CILCO-E, Column b, Line 1 |
| 12 | Federal Excise Tax | - | (30.420) | (0.08334) | - | Per Order: Ameren IB App. A Sch. 2, p. 3, line 13 |
| 13 | Energy Assistance Tax | 2,402 | (27.530) | (0.07542) | (181) | Per Order: Ameren IB App. A Sch. 2, p. 3, line 16 |
| 14 | Corporation Franchise Tax | 233 | (191.530) | (0.52474) | (122) | Company Schedule C-18, Column J, Line 8 |
| 15 | Gross Receipts/Municipal Utility Tax | - | (45.630) | (0.12501) | - | Company Schedule C-18, Column J: Line 11 + Line 15 |
| 16 | Property/Real Estate Tax | 485 | (392.700) | (1.07589) | (522) | Company Schedule C-18, Column J, Line 14 |
| 17 | Interest Expense | 9,213 | (91.250) | (0.25000) | (2,303) | Per Order |
| 18 | Bank Facility Fees | 782 | 97.650 | 0.26753 | 209 | Appendix A, Page 5, Column d, line 23 times Bank Facility Fees Weighted Component Sched. 19.01 |
| 19 | Federal Income Tax | 6,719 | (38.000) | (0.10411) | (700) | Appendix A, Page 1, Column i, Line 18 |
| 20 | State Income Tax | 1,510 | (38.000) | (0.10411) | (157) | Appendix A, page 1, Column i, Line 17 |
| 21 | Total Outlays | <u>\$ 91,368</u> | | | | Sum of Lines 4 through 20 |
| 22 | Cash Working Capital per Order | | | | <u>\$ (1,598)</u> | Sum of Lines 1 through 20 |
| 23 | Cash Working Capital per Company | | | | 1,137 | Ameren Ex. 29.1, Schedule 2, page 4, column (G), line 24 |
| 24 | Difference -- Adjustment per Order | | | | <u>\$ (2,735)</u> | Line 22 less Line 23 |

AmerenCILCO - Electric
Adjustment to Cash Working Capital
For the Test Year Ending 12/31/2008
(In Thousands)

| <u>Line</u> | <u>Revenues</u> (a) | <u>Amount</u> (b) | <u>Source</u> (c) |
|-------------|--|----------------------|---------------------------------------|
| 1 | Total Operating Revenues | \$ 118,448 | Appendix A, Page 1, Column i, Line 3 |
| 2 | Purchased Power | - | |
| 3 | Uncollectible Accounts | (957) | Appendix A, Page 1, Column i, Line 4 |
| 4 | Depreciation & Amortization | (21,087) | Appendix A, Page 1, Column i, Line 8 |
| 5 | Return on Equity | (12,480) | Line 10 below |
| 6 | | - | |
| 7 | Total Revenues for CWC calculation | <u>\$ 83,924</u> | Sum of Lines 1 through 6 |
| 8 | Total Rate Base | \$ 279,199 | Appendix A, Page 5, Column d, Line 23 |
| 9 | Weighted Cost of Capital | 4.47% | Per Order |
| 10 | Return on Equity | <u>\$ 12,480</u> | Line 8 times Line 9 |
| 11 | Operating Expense Before Income Taxes | \$ 87,744 | Appendix A, Page 1, Column i, Line 16 |
| 12 | Employee Benefits Expense | (2,816) | Appendix A, Page 9, Column b, Line 16 |
| 13 | Payroll Expense | (21,771) | Appendix A, Page 9, Column b, Line 5 |
| 14 | Uncollectible Accounts | (957) | Appendix A, Page 1, Column i, Line 4 |
| 15 | Depreciation & Amortization | (21,087) | Appendix A, Page 1, Column i, Line 8 |
| 16 | Taxes Other Than Income | (1,565) | Appendix A, page 1, Column i, Line 9 |
| 17 | Other Operations & Maintenance for CWC Calculation | <u>\$ 39,548</u> | Sum of Lines 11 through 16 |

AmerenCILCO - Electric
Adjustment to Cash Working Capital
For the Test Year Ending 12/31/2008
(In Thousands)

| <u>Line</u> | <u>Description</u> (a) | <u>Amount</u> (b) | <u>Source</u> (c) |
|-------------|---------------------------------------|----------------------|--|
| 1 | Direct Payroll per Company Filing | \$ 23,693 | Company Schedule B-8, Column F, Line 2 |
| 2 | Staff Labor Adjustment | (687) | ICC Staff Ex. 1.0, Sch. 1.09 CILCO-E, Line 3 |
| 3 | Adjustment for Workforce Reduction | (739) | Appendix A, Page 2, Col. E, Line 7 - Appendix A, Page 9, Col. B, Line 14 |
| 4 | Adjustment for Incentive Compensation | (496) | Appendix A, Page 2, Col. C, Line 7 |
| 5 | Direct Payroll per Order | <u>\$ 21,771</u> | Sum of Lines 1 through 4 |
| 6 | FICA tax per Company Filing | \$ 1,051 | Company Schedule C-18, Column J, Line 2 |
| 7 | Labor Adjustment | (53) | ICC Staff Ex. 1.0, Sch. 1.09 CILCO-E, Line 5 |
| 8 | Incentive Compensation Adjustment | (49) | Appendix A, Page 2, Col. C, Line 9 |
| 9 | Adjustment for Workforce Reduction | (57) | Appendix A, Page 2, Column E |
| 10 | Company FICA Correction Adjustment | (21) | ICC Staff Ex. 1.0, Sch. 1.11 CILCO-E, Line 13 |
| 11 | FICA tax per Order | <u>\$ 871</u> | Sum of Lines 6 through 10 |
| 12 | Employee Benefits per Company Filing | \$ 6,733 | Company Schedule B-8, Column F, Line 1 |
| 13 | Staff Adjustment for Benefits | (4,082) | ICC Staff Ex. 15.0, Sch. 15.09 CILCO-E, Line 6 |
| 14 | Adjustment for Workforce Reduction | (203) | AIU Ex. 51.9, Page 2, Line 6 |
| 15 | Staff Adjustment for Retiree Benefits | 368 | ICC Staff Ex. 15.0, Sch. 15.11 CILCO-E, Line 5 |
| 16 | Employee Benefits per Order | <u>\$ 2,816</u> | Sum of Lines 12 through 15 |

AmerenCILCO - Electric
Adjustment to NESC Corrections Costs
For the test Year Ended December 31, 2008
(In Thousands)

| Line No. | Description (a) | Amount (b) | Source (c) |
|--|--|-----------------|------------------------------------|
| 1 | Plant Additions-NESC per Order | \$ (614) | App. A, Page 11, col. (b), line 3b |
| 2 | Plant Additions-NESC per Company | <u>(413)</u> | AmerenCILCO Exhibit 29.11 WP |
| 3 | Difference- Adjustment per Order | <u>\$ (202)</u> | Line 1 -line 2 |
| <u>Accumulated Depreciation</u> | | | |
| 4 | Accumulated Depreciation-NESC per Order | \$ 16 | App. A, Page 11, col.(b), line 11 |
| 5 | Accumulated Depreciation-NESC per Company | <u>10</u> | AmerenCILCO Exhibit 29.11 WP |
| 6 | Difference- Adjustment per Order | <u>\$ 6</u> | Line 4 - line 5 |
| <u>Accumulated Deferred Income Taxes</u> | | | |
| 7 | Accumulated Deferred Income Taxes-NESC per Order | \$ 111 | App. A, Page 12 col. (b), line 14 |
| 8 | Accumulated Deferred Income Taxes-NESC per Company | <u>68</u> | AmerenCILCO Exhibit 29.11 WP |
| 9 | Difference- Adjustment per Order | <u>\$ 42</u> | Line 7 - line 8 |
| <u>Operating Expense</u> | | | |
| 10 | Operating & Maintenance Expense-NESC per Order | \$ (449) | App. A, Page 11, col.(b), line 5 |
| 11 | Operating & Maintenance Expense-NESC per Company | <u>(295)</u> | AmerenCILCO Exhibit 29.11 WP |
| 12 | Difference- Adjustment per Order | <u>\$ (154)</u> | Line 10 - line 11 |
| <u>Depreciation Expense</u> | | | |
| 13 | Depreciation Expense-NESC per Order | \$ (17) | App. A, Page 11, col.(b), line 8 |
| 14 | Depreciation Expense-NESC per Company | <u>(11)</u> | AmerenCILCO Exhibit 29.11 WP |
| 15 | Difference- Adjustment per Order | <u>\$ (5)</u> | Line 13 - line 14 |

AmerenCILCO - Electric
Adjustment to NESC Corrections Costs
For the test Year Ended December 31, 2008

| Line No. | Description (a) | Amount (b) | Source (c) |
|--|---|--------------------|--|
| 1 | Total NESC Projects Disallowed | \$ 1,109,673 | Staff Ex. 24.0 |
| <u>Allocation to Plant Additions</u> | | | |
| 2 | Plant Additions % | 56.53% | Ratio of plant additions to NESC costs per Co. WPB 29.11 |
| 3 | NESC Plant Additions Disallowed | \$ 627,331 | Line 1 x line 2 |
| 3a | Materials Costs per Order | \$ 13,097 | ICC Staff Ex. 24.0R, Attach. E |
| 3b | Plant Additions-NESC per Order | <u>\$ 614,234</u> | Line 3 - line 3a |
| <u>Allocation to Operating Expense</u> | | | |
| 4 | Operating and Maintenance Expense % | 40.50% | Ratio of oper. and maint. exp. to total NESC costs per Co. WPB 29.11 |
| 5 | NESC Operating & Maintenance Expense Disallowed | <u>\$ 449,383</u> | Line 1 x line 4 |
| <u>Calculation of Depreciation Expense</u> | | | |
| 6 | Total NESC Plant Additions Disallowed | \$ 614,234 | Line 3b |
| 7 | Depreciation Rate | <u>2.72%</u> | AmerenCILCO Exhibit 29.11 WP |
| 8 | Depreciation on Disallowed NESC Projects | <u>\$ 16,707</u> | Line 6 x line 7 |
| <u>Accumulated Depreciation</u> | | | |
| 9 | Depreciation on Disallowed NESC Projects | \$ 16,707 | Line 8 |
| 10 | Removals | <u>(32,960)</u> | AmerenCILCO Exhibit 29.11 WP |
| 11 | Accumulated Depreciation | <u>\$ (16,253)</u> | Line 9 + line 10 |

AmerenCILCO - Electric
Adjustment to NESC Corrections Costs
For the test Year Ended December 31, 2008

| Line No. | Description | Amount | Source |
|-------------|--|-------------------|------------------------------------|
| | (a) | (b) | (c) |
| 1 | NESC Rework-Plant Disallowed | \$ 614,234 | App. A, Page 11, col. (b), line 3b |
| 2 | Book Depreciation Rate | <u>2.72%</u> | AmerenCILCO Exhibit 29.11 WP |
| 3 | Book Depreciation | \$ 16,707 | Line 1 x line 2 |
| 4 | State Tax Depreciation Rate | <u>7.22%</u> | AmerenCILCO Exhibit 29.11 WP |
| 5 | State Tax Depreciation | \$ 44,342 | Line 1 x line 4 |
| 6 | State Book-Tax Depreciation Difference | \$ 27,634 | Line 5 - line 3 |
| 7 | State Tax Rate | <u>7.30%</u> | AmerenCILCO Sch. C-1 |
| 8 | State ADIT | \$ 2,017 | Line 6 x line 7 |
| 9 | Federal Tax Depreciation Rate | <u>53.61%</u> | AmerenCILCO Exhibit 29.11 WP |
| 10 | Federal Tax Depreciation | \$ 329,288 | Line 1 x line 9 |
| 11 | Federal Book-Tax Depreciation Difference | \$ 312,580 | Line 10 - line 3 |
| 12 | Federal Tax Rate | <u>35%</u> | AmerenCILCO Sch. C-1 |
| 13 | Federal ADIT | \$ 108,697 | (Line 11- line 8) x line 12 |
| 14 | Total ADIT-NESC | <u>\$ 110,714</u> | Line 8 + line 13 |

AmerenCILCO - Electric
Overall Cost of Capital
For the Test Year Ending 12/31/2008

| Line No. | Description | Amount | Percent of Total | Percent of Cost | Weighted Component | Effective Tax Rates (1) | After-Tax Cost of Capital |
|----------|------------------------------|-----------------------|---|-----------------|--------------------|-------------------------|---------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) |
| 1 | <u>PER COMPANY</u> | | | | | | |
| 2 | Short Term Debt | \$ 32,017,993 | 5.60% | 1.14% | 0.06% | 39.7450% | 0.0362% |
| 3 | Long Term Debt | 271,492,364 | 47.48% | 8.16% | 3.87% | 39.7450% | 2.3319% |
| 4 | Preferred Stock | 18,893,567 | 3.30% | 4.61% | 0.15% | | 0.1500% |
| 5 | JDITC | - | 0.00% | 0.00% | 0.00% | | 0.0000% |
| 6 | State Investment Tax Credits | - | 0.00% | 0.00% | 0.00% | | 0.0000% |
| 7 | Common Stock | 249,457,171 | 43.62% | 12.25% | 5.34% | | 5.3400% |
| 8 | Total | <u>\$ 571,861,095</u> | <u>100.00%</u> | | <u>9.42%</u> | | <u>7.8581%</u> |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | <u>PER ORDER</u> | | | | | | |
| 12 | Short Term Debt | \$ 32,017,993 | 5.60% | 2.15% | 0.12% | 39.7450% | 0.0723% |
| 13 | Long Term Debt | 271,691,990 | 47.49% | 6.69% | 3.18% | 39.7450% | 1.9161% |
| 14 | Preferred Stock | 18,893,282 | 3.30% | 4.61% | 0.15% | | 0.1500% |
| 15 | Bank Facility Fees | - | 0.00% | 0.00% | 0.28% | | 0.2800% |
| 16 | State Investment Tax Credits | - | 0.00% | 0.00% | 0.00% | | 0.0000% |
| 17 | Common Stock | 249,457,171 | 43.61% | 9.90% | 4.32% | | 4.3200% |
| 18 | Total | <u>\$ 572,060,436</u> | <u>100.00%</u> | | <u>8.05%</u> | | <u>6.7384%</u> |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | <u>EFFECTIVE TAX RATE</u> | | | | | | |
| 22 | State Income Tax Rate | 7.3000% | | | | | |
| 23 | Federal Income Tax Rate | 35.0000% | | | | | |
| 24 | | | | | | | |
| 25 | Effective Tax Rate | <u>39.7450%</u> | [State Rate + ((1- State Rate) x Federal Rate)] | | | | |